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**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554**

In the Matter of)	
)	
1988 Biennial Regulatory Review --)	
Review of International Common Carrier)	IB Docket No. 98-118
Regulations)	
)	

To: The Commission

COMMENTS OF BELL SOUTH CORPORATION

BellSouth Corporation ("BellSouth"), on behalf of itself and its affiliates, by its attorneys, respectfully submits the following comments in support of the rule changes proposed by the Commission in the above-captioned proceeding.

The Notice of Proposed Rulemaking (FCC 98-149, released July 14, 1998, 63 FR 39793 (Jul. 24, 1998) *corrected* 63 FR 41538 (Aug. 4, 1998)) ("NPRM") offers up significant streamlining and realignment of the Commission's rules concerning its international section 214 authorization process. BellSouth agrees that the proposed changes, if adopted, would "facilitate the authorization of international telecommunications services while eliminating unnecessary regulations" and that competitive conditions in the international telecommunications marketplace support these changes. *See* NPRM, at 3 and 5.

BellSouth is a relatively recent entrant into the international telecommunications arena. Within the last two years, a number of BellSouth's direct and indirect subsidiaries have had occasion to file applications for section 214 authorizations. If the rules now proposed had been

adopted earlier, the number of filings made by BellSouth's subsidiaries would have been reduced yet the requisite breadth of authority would not have been lessened.

The proposal for a blanket section 214 authorization for service to unaffiliated points will be particularly helpful. It will reduce the regulatory burdens on carriers and free up Commission resources. To fully realize these benefits, the blanket authorization should provide authority for facilities-based and resale services as described in proposed rules 63.22 and 63.23, respectively. However, as suggested by the Commission in the NPRM, at 6, the blanket authorizations should not be limited to the foreign destinations in which a carrier does not have a foreign affiliate. The blanket authorizations should be expanded to include those foreign destinations in which a carrier has the type of foreign affiliations described in paragraph 9 of the NPRM, *i.e.*, in foreign destinations where the Commission has found previously that the affiliate lacks market power, the affiliate has no telecommunications facilities (*e.g.*, it is a pure reseller), or the affiliate is a mobile wireless provider. These affiliations encompass the sort that BellSouth has in foreign destinations. In none of these cases, by the nature of the history of foreign markets and the future projected for them by the World Trade Organization Basic Telecom Agreement, is the BellSouth affiliate or subsidiary, or a similarly positioned entity, likely to gain market power. Thus, it would serve the public interest for the Commission to add verbiage in proposed rules 63.22 and 63.23 to include these types of foreign affiliations in the blanket authorizations.

Adoption of the expanded blanket authorization concept will be most advantageous to the Commission and to carriers if it is coupled with the ability of subsidiaries to rely upon a parent entity's section 214 authorization. *See* NPRM at 10 and proposed rule 63.21(i). Implementation of these two proposals will eliminate many otherwise unnecessary filings. Furthermore, it does

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not appear that proposed rule 63.21(i) would afford a carrier the means by which it could circumvent any of the Commission's structural separation requirements found in section 63.10(c) of the Commission's rules, in the statute or other Commission regulation. The proposed rule is clear; its limitations are delineated.

In sum, BellSouth respectfully submits that, with the single addition suggested above concerning the breadth of the blanket section 214 authorizations, the rule changes proposed in the NPRM should be adopted.

Respectfully submitted,

BELLSOUTH CORPORATION

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